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Laventhol & Horwath
Certified Public Accountants

NATIONAL TREND OF BUSINESS

Lodging Industry

A SERVICE TO THE CLIENTS OF LAVENTHOL & HORWATH

MARCH 1986 COMPARED WITH MARCH 1985

LARGE DROP IN OCCUPANCY RATES

The month of March was disappointing as the national occupancy rate fell 4.7 percent to 66.5 percent compared with March of last year. The Southeast sector was the only region to report any increase in occupancies in March, while the remaining regions had declining occupancy rates falling as much as 10.3 percent. Occupancies for resort properties remained the same as last year, while occupancy rates for all other locations fell—suburban properties being hit the hardest as they dropped 10.2 percent. Double occupancies seem to be utilized more frequently as these percentages increased throughout the nation.

Food and beverage operations had a difficult month in March as the number of covers served fell 4.6 percent. Although this figure dropped, food and beverage sales per occupied room and the average receipt per cover both increased compared with March of 1985.

Reviewing the first quarter of 1986, the national occupancy rate, standing at 61.8 percent, remains 1.6 below the reported quarterly rate of 1985. Lodging operations in the Southeast region of the country appear to be picking up as they were the only sector to report an increase in occupancy. The same can be said for those properties located in resort areas which reported a 3.0 percent increase in occupancy for the first quarter of the year.

Food and beverage operations were not encouraging during the first quarter of the year. The number of covers served fell 2.4 percent during this period compared with the corresponding months of 1985. The decrease in the number of travelers utilizing restaurant facilities is usually accompanied with increasing food and beverage sales per occupied room as well as higher average receipts per cover—which are commonly used to compensate for falling covers.

		Projections	Actual Last Year
MAY	1985	64-66%	67.9%
JUNE	1986	68-70%	70.0%
JULY	1986	66-68%	68.5%

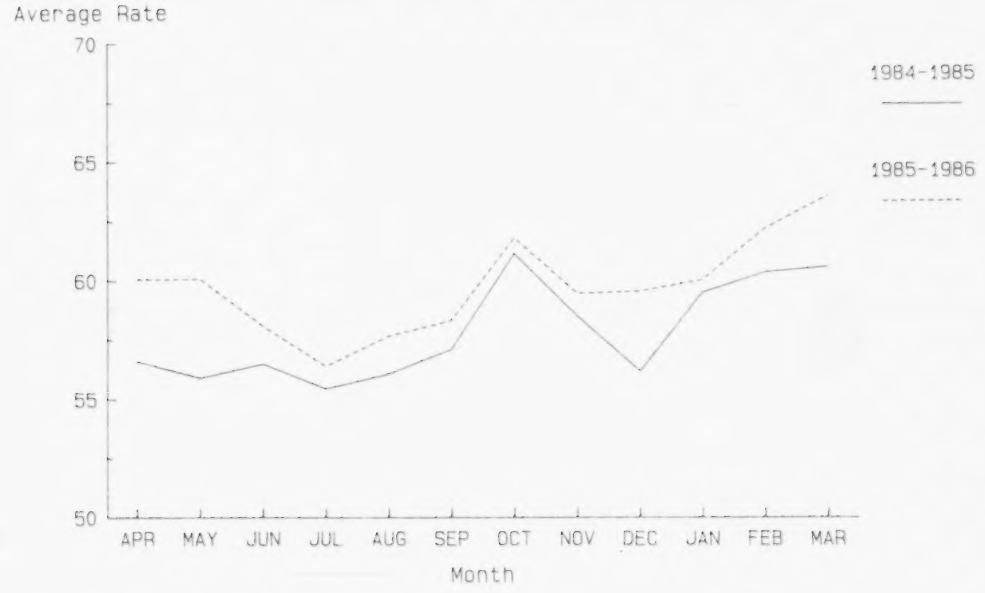
SEASONALLY ADJUSTED OCCUPANCY RATES FOR THE MAJOR CLASSIFICATIONS

	This Month	Percentage Changes*
TOTAL U.S.A.	63.4%	-2.0%
AFFILIATION:		
Chain	62.6	-2.1
Independent	63.1	-2.9
AREA:		
Northeast	67.1	-6.3
Southeast	72.9	0.3
North Central	57.2	-2.3
South Central	51.9	-1.1
West	63.5	-5.3
LOCATION:		
Center City	58.7	-6.0
Suburban	57.8	-4.3
Highway	62.9	-2.3
Airport	65.4	2.0
Resort	68.6	0.6
SIZE:		
Under 150 rooms	62.3	-1.0
150 to 299 rooms	59.6	-4.6
300 to 600 rooms	61.8	-2.3
Over 600 rooms	68.5	-2.9
TYPE:		
Hotel	62.8	-3.2
Motor Hotel	63.1	-1.5
Economy	62.0	5.4

* FROM PREVIOUS MONTH

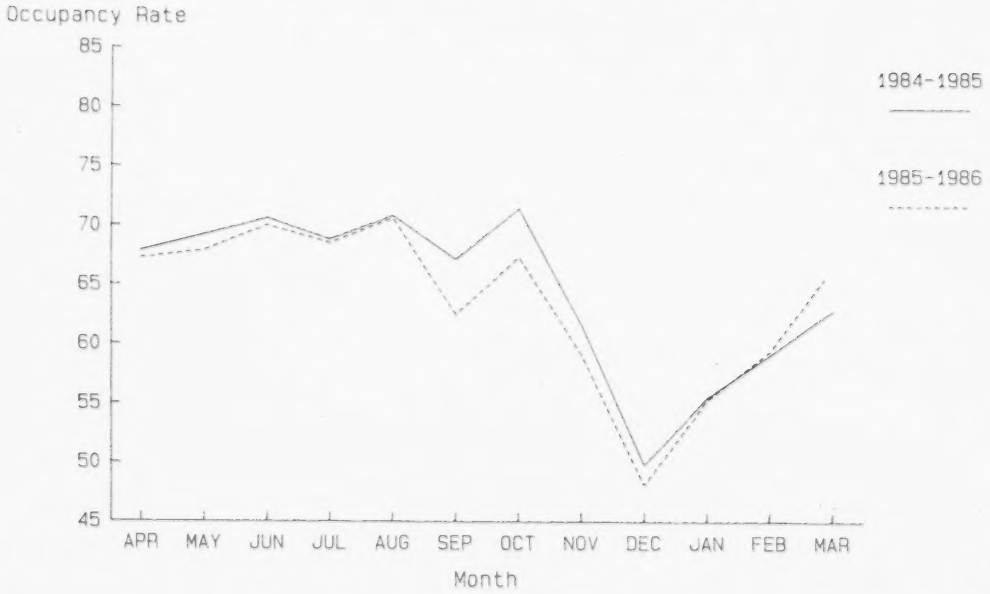
Mark Lomanno, Associate Director
Bill Evans, Research Analyst
Research and Development

NATIONAL ROOM RATES
APRIL 1984 - MARCH 1985
APRIL 1985 - MARCH 1986



Source: Laventhol & Horwath

NATIONAL OCCUPANCY RATES
APRIL 1984 - MARCH 1985
APRIL 1985 - MARCH 1986



Source: Laventhol & Horwath

TREND REPORT MARCH 1986 COMPARED WITH MARCH 1985

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	MAR	% CHG	MAR	% CHG	MAR	% CHG	MAR	% CHG
TOTAL	-1.0	-	-4.7	-0.7	66.5	-4.7	57.6	7.7	$ 63.59	3.5	$ 93.98	2.4
REGION:												
NORTHEAST	-1.0	0.6	-5.6	1.4	65.6	-3.5	40.8	4.3	$ 86.78	5.6	$126.15	3.9
SOUTHEAST	5.1	7.2	-0.7	8.1	83.3	1.7	88.3	5.4	72.47	4.0	107.34	1.9
NORTH CENTRAL	-3.5	-2.6	-5.0	-4.9	57.4	-7.1	37.8	3.0	45.76	4.6	69.51	3.8
SOUTH CENTRAL	-11.0	-11.1	-11.8	-7.1	56.0	-10.3	38.9	9.9	51.31	-1.6	74.56	-1.5
WEST	0.1	0.3	-3.3	-14.0	67.2	-7.1	53.1	6.0	59.09	2.2	88.59	2.0
AFFILIATION:												
CHAIN	-1.4	-0.5	-5.3	-0.6	66.3	-4.9	53.9	7.6	$ 61.42	2.9	$ 89.61	2.0
INDEPENDENT	0.3	2.0	-2.8	-1.2	66.9	-5.0	70.4	7.5	72.88	5.7	112.69	4.1
LOCATION:												
CENTER CITY	-2.7	-1.8	-5.3	-5.3	62.0	-5.6	43.5	6.1	$ 74.82	4.2	$111.65	3.4
SUBURBAN	-8.9	-7.5	-12.2	-9.0	59.7	-10.2	42.9	10.3	52.05	1.9	75.68	0.5
AIRPORT	-0.4	0.6	-8.1	-0.2	70.8	-3.9	33.2	6.4	57.04	1.5	82.62	0.5
HIGHWAY	-0.1	0.7	-4.6	5.3	66.7	-3.9	67.0	4.4	43.17	2.9	58.11	2.0
RESORT	5.0	6.6	1.1	8.1	79.6	-	105.5	7.2	86.72	3.2	135.88	1.7
SIZE:												
UNDER 150 ROOMS	-1.1	-0.4	-5.6	4.0	64.4	-4.7	68.0	10.7	$ 41.90	2.7	$ 53.60	2.1
150 - 299 ROOMS	-4.4	-3.5	-7.1	-10.9	64.4	-6.3	52.7	5.6	56.32	2.4	81.59	1.4
300 - 600 ROOMS	-0.2	1.0	-3.2	2.4	66.3	-4.5	53.9	7.6	69.28	3.6	107.51	2.4
OVER 600 ROOMS	1.4	2.8	-4.1	5.6	72.4	-3.5	61.9	7.7	89.42	3.8	136.44	2.4
TYPE:												
HOTEL	-0.7	0.5	-4.4	-0.8	66.1	-5.0	53.1	5.4	$ 74.62	3.9	$117.00	2.7
MOTOR HOTEL	-3.2	-2.0	-7.9	-1.0	67.5	-5.3	61.0	11.1	50.21	2.7	67.08	1.5
ECONOMY	1.3	1.7	-8.9	-9.1	62.7	-2.9	77.0	2.7	31.49	3.7	32.69	3.3
ALL SUITES	4.2	2.8	10.3	2.8	73.2	0.3	76.5	17.9	84.91	-0.9	115.60	0.4

- NO CHANGE

YEAR TO DATE TREND REPORT - AS OF MARCH 1986

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	MAR	% CHG	MAR	% CHG	MAR	% CHG	MAR	% CHG
TOTAL	1.9	2.6	-0.7	2.5	61.8	-1.6	50.1	6.6	$ 62.52	3.2	$ 94.34	2.5
REGION:												
NORTHEAST	1.2	2.1	-2.1	5.2	61.8	-2.1	35.6	5.3	$ 87.19	5.6	$129.34	4.7
SOUTHEAST	6.1	8.0	1.3	7.7	74.2	4.1	78.8	6.6	69.13	2.9	104.50	1.2
NORTH CENTRAL	0.6	1.1	-0.6	0.8	53.0	-3.1	35.0	5.1	46.79	4.3	73.09	3.8
SOUTH CENTRAL	-3.4	-4.0	-2.4	-0.5	54.2	-4.7	37.4	6.9	51.74	0.3	76.07	0.9
WEST	2.3	2.7	-0.6	-7.3	64.5	-3.7	44.9	1.1	59.75	2.3	91.50	1.9
LOCATION:												
CENTER CITY	1.0	1.0	-0.6	2.6	57.5	-2.4	39.3	5.6	74.31	4.0	113.59	4.0
SUBURBAN	-2.8	-1.9	-4.9	-3.8	58.1	-4.8	39.3	5.4	52.84	1.9	79.31	0.9
AIRPORT	2.1	3.0	-3.3	-0.4	67.8	-1.9	29.6	3.5	56.13	2.3	82.10	1.4
HIGHWAY	1.4	2.9	-3.8	-0.6	61.5	-1.3	57.0	4.6	42.23	2.3	57.25	0.8
RESORT	7.1	8.4	4.2	8.5	71.7	3.0	92.2	6.6	83.02	3.2	133.43	1.9
SIZE:												
UNDER 150 ROOMS	1.3	2.4	-3.4	0.3	59.5	-2.1	58.2	6.4	$ 40.89	3.0	$ 52.33	1.9
150 - 299 ROOMS	0.5	1.2	-2.5	-0.5	60.7	-2.3	46.3	5.5	55.91	2.8	83.26	2.2
300 - 600 ROOMS	2.0	2.5	0.7	2.2	62.0	-1.6	46.8	6.4	69.69	2.7	111.05	2.1
OVER 600 ROOMS	3.0	4.4	0.2	6.0	66.1	-	54.0	7.6	87.07	3.6	135.57	2.9
TYPE:												
HOTEL	2.0	2.7	-0.5	2.2	62.1	-1.9	46.6	5.0	73.48	3.7	118.04	3.0
MOTOR HOTEL	0.3	1.3	-3.3	0.5	62.0	-1.9	53.4	9.4	48.92	2.4	65.67	1.4
ECONOMY	4.2	4.3	5.4	-4.0	56.7	-0.5	67.5	5.1	30.68	3.1	32.33	2.9
ALL SUITES	7.8	6.7	9.1	12.7	68.3	2.7	62.4	12.0	81.72	0.5	113.62	1.5

- NO CHANGE

TWELVE-MONTH VARIATION REPORT - AS OF MARCH 1986

	SALES PERCENT CHANGE						SALES PER OCCUPIED ROOM PERCENT CHANGE				PAYROLL PER OCCUPIED ROOM PERCENT CHANGE		
	TOTAL	ROOMS	F&B	FOOD	BEV	OTHER	TOTAL	ROOMS	F&B	OTHER	TOTAL	ROOMS	F&B
TOTAL	1.3	1.9	-0.6	0.7	-4.0	3.4	3.1	3.6	1.6	5.7	5.1	5.1	3.1
REGION:													
NORTHEAST	1.2	2.6	-3.3	-2.4	-5.6	6.0	4.9	6.4	0.1	9.8	5.8	7.3	2.4
SOUTHEAST	3.9	4.6	1.7	3.1	-1.7	5.9	2.3	3.0	0.5	4.4	3.7	3.7	2.8
NORTH CENTRAL	4.3	5.8	1.0	2.0	-1.5	5.5	4.7	6.1	1.6	6.0	4.6	4.7	3.2
SOUTH CENTRAL	-4.3	-4.5	-4.5	-2.8	-8.9	-0.6	1.0	0.7	1.5	5.3	5.7	5.6	2.4
WEST	1.9	1.9	1.6	3.1	-2.6	-2.1	2.8	2.8	3.3	-	5.8	4.0	5.0
AFFILIATION:													
CHAIN	1.1	1.7	-1.1	0.4	-4.7	3.0	3.0	3.6	1.5	5.3	5.2	5.6	3.5
INDEPENDENT	2.4	2.8	1.1	2.0	-1.5	5.2	3.3	3.7	1.5	6.3	4.4	3.2	1.4
LOCATION:													
CENTER CITY	0.6	1.2	-1.6	-0.4	-5.0	3.4	3.9	4.5	1.8	7.2	5.7	6.3	2.9
SUBURBAN	0.3	1.2	-2.1	-0.5	-5.8	1.0	2.7	3.6	0.9	3.6	4.9	4.9	3.3
AIRPORT	2.1	2.7	-	1.1	-2.9	3.2	2.7	3.3	1.2	3.9	5.3	4.8	3.7
HIGHWAY	1.3	1.9	-0.6	1.1	-4.5	-0.7	2.2	2.9	0.8	0.5	4.7	4.1	4.2
RESORT	3.8	4.1	2.5	3.8	-0.7	7.5	2.7	3.0	2.0	6.0	4.3	3.9	3.1
SIZE:													
UNDER 150 ROOMS	1.3	2.0	-1.6	-0.7	-3.9	2.4	2.2	2.9	1.0	3.6	4.0	4.3	4.0
150 - 299 ROOMS	0.4	0.9	-1.4	-0.1	-4.2	1.4	3.3	3.8	2.1	4.9	6.3	5.6	5.6
300 - 600 ROOMS	1.6	2.0	0.6	2.2	-3.5	2.5	2.7	3.1	2.0	3.6	4.7	4.1	2.2
OVER 600 ROOMS	2.3	2.9	-0.9	0.4	-4.4	6.1	3.5	4.3	0.3	8.0	4.4	5.8	1.2
TYPE:													
HOTEL	1.4	2.1	-0.5	0.8	-4.0	3.2	3.3	4.0	1.6	5.6	5.1	5.2	2.8
MOTOR HOTEL	0.7	1.3	-1.5	-0.1	-4.8	3.2	2.7	3.2	0.9	5.1	5.9	5.9	5.6
ECONOMY	2.9	3.0	3.3	3.3	*	1.6	3.4	3.4	0.4	0.6	3.8	1.3	-7.2
ALL SUITES	3.7	2.4	6.8	9.2	1.2	11.0	3.4	2.0	8.4	10.9	3.7	4.6	1.7

* INSUFFICIENT RESPONSE
\- NO CHANGE

FOOD AND BEVERAGE REPORT - MARCH 1986 COMPARED WITH MARCH 1985

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$33.80	$33.75	$ 9.37	$ 9.15	0.32	0.32	0.22	0.21	45.2	43.0	$ 6.02	$ 5.78	-4.6
REGION:													
NORTHEAST	$37.06	$37.73	$11.56	$11.36	0.31	0.30	0.21	0.20	52.4	49.5	$ 8.67	$ 8.28	-2.8
SOUTHEAST	34.53	35.58	9.26	8.84	0.32	0.32	0.22	0.22	39.5	37.9	5.55	5.39	-1.4
NORTH CENTRAL	30.22	28.69	8.20	8.18	0.34	0.35	0.22	0.22	45.1	41.9	5.14	4.85	-3.6
SOUTH CENTRAL	26.89	27.00	8.06	8.45	0.33	0.33	0.22	0.22	45.6	42.6	4.99	5.00	-4.3
WEST	39.97	39.04	9.78	9.15	0.33	0.33	0.22	0.22	48.5	46.9	6.05	5.58	-9.8
AFFILIATION:													
CHAIN	$30.82	$30.99	$ 9.07	$ 8.90	0.32	0.32	0.21	0.21	44.6	42.0	$ 5.73	$ 5.49	-4.6
INDEPENDENT	47.34	46.30	10.34	9.97	0.33	0.34	0.24	0.23	47.3	46.3	7.07	6.85	-4.7
LOCATION:													
CENTER CITY	$35.80	$35.52	$10.92	$10.88	0.31	0.31	0.22	0.20	50.3	47.7	$ 7.79	$ 7.70	-1.6
SUBURBAN	26.50	26.29	7.82	7.87	0.34	0.34	0.23	0.22	45.2	40.9	4.66	4.28	-9.9
AIRPORT	26.42	27.66	8.18	8.03	0.33	0.33	0.22	0.21	43.4	40.5	4.78	4.36	-8.9
HIGHWAY	25.37	25.90	7.76	7.52	0.35	0.35	0.24	0.24	40.5	39.9	4.18	4.16	-3.0
RESORT	47.47	47.90	10.05	9.48	0.33	0.32	0.22	0.21	40.7	39.4	6.07	5.95	-2.9
SIZE:													
UNDER 150 ROOMS	$32.28	$32.10	$ 7.72	$ 7.30	0.36	0.37	0.25	0.24	40.5	40.4	$ 4.55	$ 4.48	-7.6
150 - 299 ROOMS	26.98	26.87	7.98	7.91	0.35	0.35	0.24	0.23	46.2	44.1	5.10	4.94	-4.6
300 - 600 ROOMS	34.38	34.03	9.64	9.31	0.32	0.33	0.22	0.22	46.3	44.3	6.25	5.85	-5.8
OVER 600 ROOMS	42.11	43.16	11.68	11.62	0.30	0.29	0.19	0.19	44.2	41.2	7.73	7.68	-1.2
TYPE:													
HOTEL	$38.57	$38.43	$ 9.84	$ 9.58	0.32	0.32	0.22	0.21	45.6	43.2	$ 6.37	$ 6.11	-4.7
MOTOR HOTEL	21.94	22.36	7.55	7.59	0.35	0.34	0.23	0.22	41.8	39.0	4.57	4.40	-5.0
ECONOMY	5.47	6.20	*	*	0.30	0.33	*	*	27.7	28.5	*	*	*
ALL SUITES	47.47	46.55	12.82	11.76	0.31	0.36	0.28	0.27	55.7	61.2	9.81	10.07	1.9

* INSUFFICIENT RESPONSE

YEAR TO DATE FOOD AND BEVERAGE REPORT - AS OF MARCH 1986

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$36.37	$35.77	$ 9.59	$ 9.28	0.33	0.33	0.22	0.22	47.7	47.0	$ 6.45	$ 6.28	-2.4
REGION:													
NORTHEAST	$39.50	$39.21	$11.42	$11.19	0.31	0.31	0.20	0.20	56.2	55.2	$ 9.04	$ 8.85	-2.1
SOUTHEAST	36.22	37.31	9.51	9.17	0.33	0.33	0.23	0.22	40.8	40.2	5.70	5.65	1.0
NORTH CENTRAL	34.15	32.76	8.33	8.13	0.35	0.36	0.23	0.23	47.5	46.2	5.43	5.23	-2.0
SOUTH CENTRAL	29.21	28.28	8.45	8.44	0.33	0.34	0.22	0.22	46.3	46.2	5.59	5.59	-2.2
WEST	42.68	41.67	10.05	9.43	0.33	0.33	0.22	0.22	51.1	49.9	6.81	6.36	-6.0
AFFILIATION:													
CHAIN	33.41	33.16	9.25	9.02	0.33	0.33	0.21	0.21	47.5	46.6	6.21	6.07	-2.4
INDEPENDENT	49.53	48.71	10.69	10.11	0.34	0.34	0.24	0.24	48.6	48.6	7.32	7.07	-2.3
LOCATION:													
CENTER CITY	38.11	37.37	10.94	10.69	0.31	0.32	0.21	0.21	53.7	52.9	8.23	8.08	-1.5
SUBURBAN	30.45	29.97	8.23	8.16	0.35	0.35	0.23	0.23	46.6	44.8	5.36	5.17	-5.1
AIRPORT	28.58	29.19	8.11	7.86	0.33	0.34	0.22	0.22	45.1	42.9	4.99	4.64	-4.5
HIGHWAY	27.50	28.46	7.94	7.67	0.36	0.36	0.24	0.24	42.7	41.6	4.35	4.23	-4.2
RESORT	50.64	50.83	10.54	9.95	0.33	0.34	0.22	0.22	42.0	42.9	6.26	6.34	1.1
SIZE:													
UNDER 150 ROOMS	$34.72	$34.66	$ 7.69	$ 7.32	0.37	0.38	0.26	0.26	42.2	42.1	$ 4.57	$ 4.45	-2.2
150 - 299 ROOMS	29.37	29.70	8.06	7.93	0.35	0.35	0.23	0.23	47.3	46.3	5.31	5.21	-1.9
300 - 600 ROOMS	38.21	37.31	10.11	9.59	0.33	0.33	0.22	0.22	48.1	47.6	6.81	6.48	-3.4
OVER 600 ROOMS	42.63	42.90	11.48	11.32	0.31	0.31	0.20	0.19	48.8	48.1	8.08	8.13	-0.1
TYPE:													
HOTEL	41.08	40.45	9.99	9.67	0.33	0.33	0.22	0.21	48.0	47.2	6.73	6.55	-2.5
MOTOR HOTEL	23.45	23.70	7.75	7.65	0.35	0.35	0.22	0.22	44.8	43.4	4.96	4.83	-2.4
ECONOMY	10.26	10.96	3.50	3.31	0.32	0.32	*	*	26.8	25.8	1.15	1.08	0.3
ALL SUITES	53.16	51.28	13.81	11.68	0.32	0.36	0.27	0.27	57.1	64.0	11.03	10.90	-5.2

* INSUFFICIENT RESPONSE

TWELVE MONTH FOOD AND BEVERAGE REPORT - AS OF MARCH 1986

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$33.83	$33.30	$ 9.39	$ 9.02	0.33	0.34	0.22	0.22	47.1	46.4	$ 6.16	$ 5.91	-3.2
REGION:													
NORTHEAST	$38.09	$38.04	$11.45	$11.02	0.31	0.32	0.20	0.20	51.8	50.5	$ 8.52	$ 8.02	-5.9
SOUTHEAST	33.35	33.19	9.41	9.02	0.33	0.34	0.22	0.22	43.0	42.3	5.81	5.58	-0.8
NORTH CENTRAL	32.61	32.10	8.43	8.05	0.34	0.34	0.22	0.22	44.2	43.7	5.03	4.83	-2.2
SOUTH CENTRAL	27.56	27.15	8.33	8.17	0.34	0.35	0.22	0.23	47.2	47.0	5.70	5.37	-5.8
WEST	37.38	36.76	9.50	9.03	0.33	0.34	0.22	0.22	49.0	48.3	6.05	5.77	-2.3
AFFILIATION:													
CHAIN	31.53	30.94	9.15	8.81	0.33	0.33	0.21	0.21	47.3	46.4	6.10	5.84	-3.4
INDEPENDENT	46.47	45.77	10.25	9.79	0.35	0.35	0.23	0.23	46.2	46.3	6.37	6.17	-2.3
LOCATION:													
CENTER CITY	36.49	35.84	10.61	10.19	0.31	0.32	0.21	0.21	50.6	50.1	7.57	7.23	-4.4
SUBURBAN	29.37	28.80	8.29	8.06	0.35	0.35	0.22	0.23	45.6	44.7	5.31	5.10	-3.5
AIRPORT	28.40	28.05	8.33	7.96	0.34	0.34	0.22	0.22	44.7	43.5	5.00	4.78	-2.6
HIGHWAY	26.06	25.86	7.77	7.35	0.37	0.37	0.24	0.24	43.3	41.9	4.54	4.30	-3.1
RESORT	47.54	46.62	10.14	9.71	0.34	0.35	0.22	0.22	43.3	42.9	5.83	5.63	-1.0
SIZE:													
UNDER 150 ROOMS	$33.13	$32.41	$ 7.36	$ 7.09	0.37	0.38	0.25	0.25	42.8	41.6	$ 4.22	$ 4.02	-4.2
150 - 299 ROOMS	27.42	26.85	8.03	7.75	0.35	0.35	0.23	0.23	45.6	44.4	5.08	4.83	-2.9
300 - 600 ROOMS	35.49	34.80	9.83	9.39	0.33	0.34	0.22	0.22	48.6	48.3	6.63	6.39	-2.3
OVER 600 ROOMS	41.11	40.37	11.56	11.10	0.30	0.31	0.19	0.19	47.7	47.3	7.85	7.52	-4.5
TYPE:													
HOTEL	38.56	38.04	9.95	9.54	0.33	0.33	0.21	0.21	47.5	47.0	6.58	6.31	-3.4
MOTOR HOTEL	22.58	22.37	7.49	7.25	0.35	0.36	0.22	0.22	44.1	42.5	4.63	4.39	-2.6
ECONOMY	7.52	7.49	3.33	3.23	0.32	0.33	*	*	31.4	34.5	*	*	-0.7
ALL SUITES	36.62	33.79	12.42	11.31	0.34	0.36	0.26	0.27	58.9	63.8	10.35	10.24	-2.3

* INSUFFICIENT RESPONSE

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Laventhol & Horwath
Certified Public Accountants

NATIONAL TREND OF BUSINESS

Lodging Industry

A SERVICE TO THE CLIENTS OF LAVENTHOL & HORWATH

APRIL 1986 COMPARED WITH APRIL 1985

OCCUPANCIES FALL
SECOND STRAIGHT MONTH

The April occupancy rate of 67.0 percent, represents a 0.4 percent decline from April of last year, and is the second consecutive monthly decline. On a regional basis, only the West reported an increase in occupancy compared with April 1985, with a 0.4 percent increase. The Southeast region continues to report the highest occupancy rate at 76.2 percent. The national year-to-date occupancy level through April, 63.2 percent, is a 1.4 percent decline over the same period last year.

The average daily rate for April was $62.43, a 3.9 percent increase over April, 1985. This rate of increase was far greater than the 1.6 percent increase in all consumer goods, as measured by the Consumer Price Index, for the month of April. The Northeast region which traditionally has the highest daily rates, posted the greatest rate increase in April, 6.1 percent. The year-to-date national daily rate for April, $62.37, is a 3.4 per cent increase over last year.

Total sales for hotels increased 4.7 percent over last year, the largest monthly increase this year. Total sales for the first four months this year a up 2.5 percent from 1985.

Food and beverage operations indicated a 1.2 percent decline in number of covers served for April, although F&B sales per occupied room rose 3.3 percent over last year to $36.14.

* * *

We are pleased to announce the printing of the 16th annual edition of the WORLDWIDE HOTEL INDUSTRY DIGEST, 1986. This publication provides in-depth commentary for major hotel markets around the world, along with tables on market data and trend performance. For a copy of this informative report, contact the Publications Department.

	Projections	Actual Last Year
JUNE 1986	68-70%	70.0%
JULY 1986	66-68%	68.5%
AUGUST 1986	69-71%	70.6%

SEASONALLY ADJUSTED OCCUPANCY RATES FOR THE MAJOR CLASSIFICATIONS

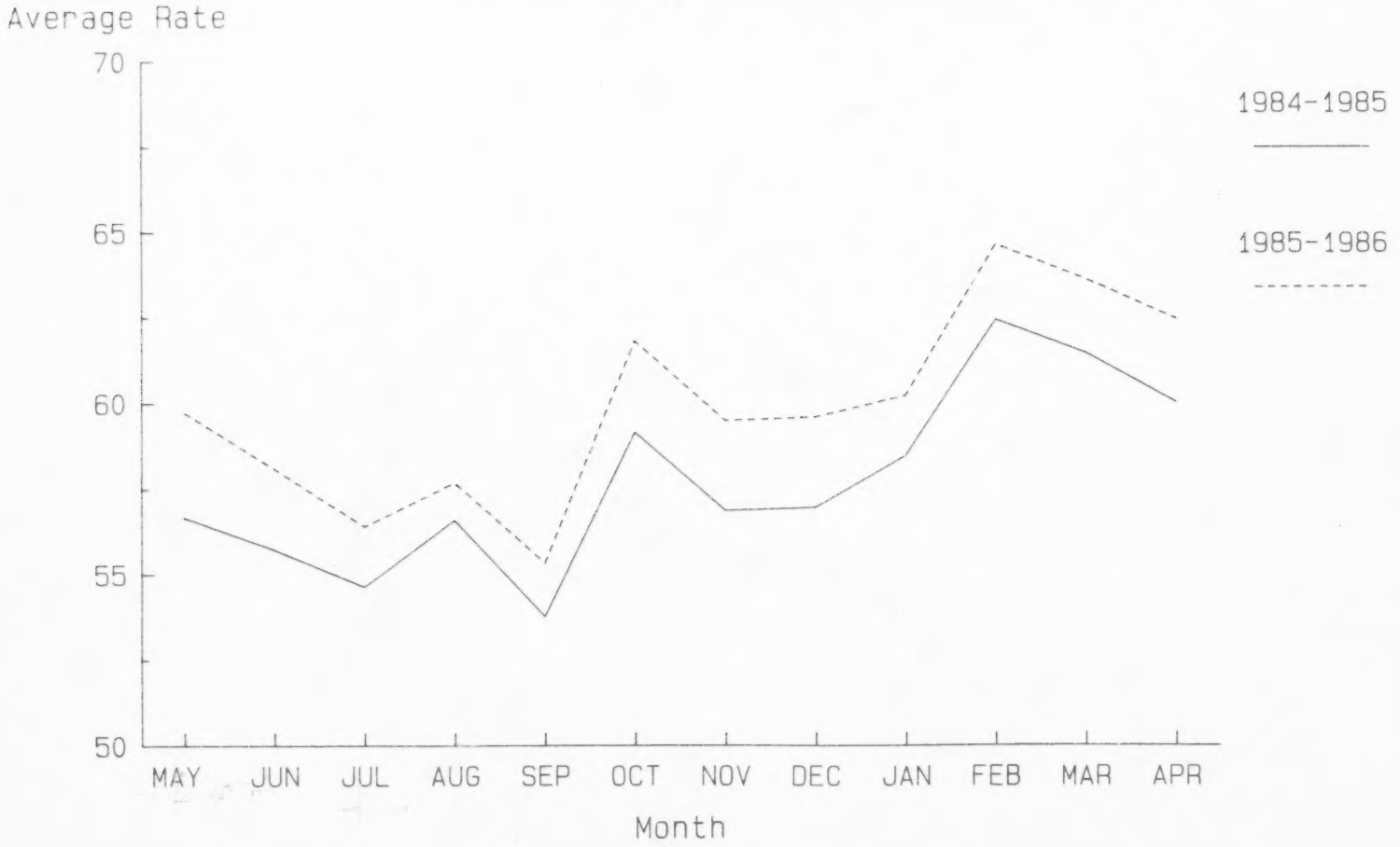
	This Month	Percentage Changes*
TOTAL U.S.A.	64.4%	1.0%
AFFILIATION:		
Chain	64.5	1.9
Independent	60.9	-2.2
AREA:		
Northeast	70.9	3.8
Southeast	75.3	2.7
North Central	62.3	5.1
South Central	55.4	3.5
West	66.2	2.7
LOCATION:		
Center City	63.0	4.3
Suburban	62.7	4.9
Highway	62.1	-0.8
Airport	65.1	-0.3
Resort	66.2	-2.4
SIZE:		
Under 150 rooms	63.4	1.1
150 to 299 rooms	61.4	1.8
300 to 600 rooms	63.3	1.5
Over 600 rooms	69.2	0.7
TYPE:		
Hotel	64.5	1.7
Motor Hotel	63.1	-
Economy	62.4	0.4

* FROM PREVIOUS MONTH

Mark Lomanno, Associate Director
Bill Evans, Research Analyst
Research and Development

NATIONAL OCCUPANCY RATE
MAY 1984 - APRIL 1985
MAY 1985 - APRIL 1986

NATIONAL AVERAGE ROOM RATE
MAY 1984 - APRIL 1985
MAY 1985 - APRIL 1986



TREND REPORT APRIL 1986 COMPARED WITH APRIL 1985

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	APR	% CHG	APR	% CHG	APR	% CHG	APR	% CHG
TOTAL	4.7	4.7	4.4	4.6	67.0	-0.4	54.1	-5.9	$ 62.43	3.9	$ 94.98	3.9
REGION:												
Northeast	4.7	5.1	4.1	2.4	72.5	-0.1	43.9	-7.0	$ 87.57	6.1	$131.08	5.6
Southeast	4.8	3.8	7.4	3.9	76.1	-0.5	88.9	-5.5	66.20	3.2	100.79	4.2
North Central	2.7	4.3	-0.9	5.0	64.1	-0.6	37.9	-2.8	49.78	5.1	77.85	3.6
South Central	0.1	0.4	-0.9	1.4	57.5	-1.7	46.0	-6.7	54.59	2.0	82.13	1.6
West	9.4	8.9	9.1	11.1	67.4	0.4	45.5	-7.9	59.45	3.7	90.91	4.2
AFFILIATION:												
Chain	4.4	4.4	4.0	4.8	67.5	-0.3	50.7	-5.8	$ 61.21	3.3	$ 92.45	3.3
Independent	5.8	6.0	5.7	3.7	64.6	-1.4	67.7	-6.2	68.19	6.6	106.94	6.4
LOCATION:												
Center City	7.8	7.6	7.0	10.7	66.0	1.4	42.8	-3.2	$ 75.35	6.0	$115.06	6.2
Suburban	-0.2	1.8	-4.2	-2.9	64.3	-2.4	38.6	-4.9	54.18	2.6	80.60	0.7
Airport	6.1	6.2	5.2	10.5	70.5	2.3	45.7	-17.4	56.63	2.1	84.95	2.0
Highway	0.5	1.1	-2.0	5.8	64.8	-3.1	58.6	-4.6	42.18	2.8	57.79	2.2
Resort	4.3	2.7	8.6	-1.7	72.8	-1.5	105.7	-4.0	75.79	1.4	125.99	2.9
SIZE:												
UNDER 75 ROOMS	4.4	13.2	12.5	9.1	57.7	-1.4	66.6	0.6	$ 34.10	2.9	$ 39.98	4.1
75 - 149 ROOMS	-1.2	-0.8	-3.2	-0.1	65.2	-3.4	58.0	-3.5	42.93	1.3	54.24	0.9
150 - 299 ROOMS	1.0	1.7	-1.4	0.4	64.9	-2.0	48.7	-6.0	54.75	3.2	82.02	2.5
300 - 600 ROOMS	4.5	5.1	3.3	4.7	67.0	0.3	56.5	-4.4	67.08	3.2	106.69	2.6
OVER 600 ROOMS	10.1	9.4	12.0	8.3	73.1	3.2	55.5	-8.9	85.59	4.3	136.05	4.9
TYPE:												
Hotel	6.2	6.4	5.7	4.9	67.7	1.2	50.4	-7.5	$ 71.83	4.1	$116.07	3.9
Motor Hotel	-1.0	-1.0	-1.8	3.2	65.8	-3.9	57.3	-5.9	49.45	2.2	66.85	2.2
Economy	0.5	1.0	-11.9	-2.1	62.6	-4.1	77.0	5.9	31.60	1.2	33.19	0.7
All Suites	9.9	11.8	5.6	4.7	74.0	7.2	68.4	1.0	79.28	1.1	110.91	-0.6